



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
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CONSUMER PROTECTION DIVISION
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Press Release

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FOR IMMEDIATE RELEASE

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ATTORNEY GENERAL DARRELL MCGRAW SECURES SETTLEMENT WITH “DEBT FREE,” AN ARIZONA CREDIT COUNSELING AGENCY, THAT WILL BRING \$300,000 IN REFUNDS TO MORE THAN 1000 WEST VIRGINIA CONSUMERS

Attorney General Darrell McGraw announced a settlement with Help Ministries Incorporated, d/b/a Debt Free, a credit counseling agency based in Mesa, Arizona. Under the terms of the settlement, 1,034 West Virginia consumers will receive \$300,000 in refunds for unlawful fees charged by Help Ministries Services.

Debt Free’s primary service consisted of arranging monthly payment plans known as “debt management plans” to assist consumers facing dire financial circumstances. West Virginia law caps the allowable fee for administering debt management plans at 7% of the monthly payment amount. However, Debt Free previously charged monthly service fees in excess of 7% as well as a one-time “set-up” fee that was not distributed to creditors. Debt Free also charged several other fees not permitted by West Virginia law, including a monthly fee for funds handling, a fee for “credit education,” and an administrative fee of \$20.00 for failed electronic debits.

Attorney General McGraw’s recent settlement with Debt Free marks the third such settlement that McGraw’s office has reached with credit counseling companies in the last twelve months. McGraw’s office previously entered into settlements with Debt Management Credit Counseling Corp., of Boca Raton, Florida, and Cambridge Counseling Credit Corp. of Agawam, Massachusetts.

Attorney General McGraw stated, “Although Debt Free has, in the past, charged excess fees for its services to West Virginia consumers, I commend the company for fully cooperating with our office and working to correct its practices.”

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hot Line, 1-800-368-8808, or by downloading a complaint form from this site.

To download and print a complaint form, please click on the **General Consumer Complaint Form** link at the top of this page.

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